

Department of Transportation

2012 Fund Estimate

Assumptions

Presented to the
California Transportation Commission
May 11, 2011

A vertical strip on the left side of the slide shows a stack of US dollar bills. The top bill is a \$100 bill, with the number '100' and the word 'HUNDRED' visible. Below it, a \$20 bill is partially visible, showing the number '20' and the word 'TWENTY'. The bills are slightly out of focus, emphasizing the text on the right.

2012 FE Assumption Options

- Approval needed for Fund Estimate (FE) assumptions
- Economic Recovery and Impact on Revenues
 - Commission requested new alternative
 - Department recommends delayed recovery

Assumption Options (continued)

- Motor Vehicle Account (MVA) transfers
 - Department recommends no transfers will occur from the MVA to the SHA over the FE period
- Federal revenues
 - Department recommends for Obligation Authority (OA) to be equal to the 2008-09 level of \$3.0B
 - \$15.2B in OA over the entire FE period
- Fuel tax swap
 - Assumption no longer necessary



Recent Changes Affecting the 2012 FE

- Assembly Bill 105: Re-enacts fuel tax swap
 - Requires transfer of weight fees to pay General Fund (GF) debt service and loans
 - Transfer of \$756M for debt service in 2010-11
 - Remainder of weight fees transferred to GF as a loan
 - Increases State Transit Assistance (STA) transfers
 - Changes Section 183.1 transfer
- Senate Bill 84: Authorizes an additional \$147M loan from the State Highway Account (SHA) to GF in 2010-11
 - Contingencies in place to keep the SHA solvent



2012 FE Assumption Updates

- Section 183.1 transfers (SHA 7)
 - No transfers from the SHA to the PTA over the FE period
- STA transfers (PTA 4)
 - Assembly Bill 105 dedicates increase of sales tax on diesel to STA
 - Results in about \$1.8B in transfers to STA over the FE period

Assumption Updates (Continued)

- Intercity rail operations (PTA 6)
 - Intercity rail and bus operations now include Amtrak-shared operating costs, which total \$570M over the FE period
 - Amtrak-shared capital costs will total \$76M over the FE period
 - Additional services on existing routes and extensions to existing routes will be funded within the reserve for Amtrak-shared costs if savings are achieved



Next Steps

- Approve assumptions
- Draft FE scheduled for June 22-23, 2011
 - Any updates to assumptions will be discussed
- Final FE scheduled for August 11-12, 2011
 - Commission may delay adoption up to 90 days